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महत्वपूर्ण सरकारी आज्ञायें।

Industries & Commerce (Group-2) Department

Notification

Jaipur, December 08, 2024

F.No. 1(20)Industries/GR-2/2024 :-

Section 1: Preamble

Micro, Small and Medium Enterprises (MSME) sector has been identified as the driver for socio economic growth and has emerged as a dynamic sector in the Indian economy over the last five decades. This sector provides the largest share of employment after agricultural sector and hence, development of the sector would contribute significantly to the socio-economic development of the country.

MSME sector contributes to about 36% of the total national manufacturing output and more than 45% to the India's exports. Micro, Small and Medium Enterprises (MSMEs) essentially plays two major roles in the economy. MSME sector supports large industry in terms of a supplier base and further acts as the provider of finished goods and services generating large scale employment.

Rajasthan is the largest State in India in terms of area and ranks 7th state in the country in terms of GSDP (FY 2022-23) with growth rate of around 10%. The contribution of Agriculture Sector (Crops, Livestock, Forestry & Logging and Fishing) in the Gross State Value Added (GSVA) at current price stood at 28.95% for the year 2022-23. The Industry Sector comprising of Mining & Quarrying, Manufacturing, Electricity, Gas, Water Supply & Other Utility Services and Construction represented 27.31% of GSVA during 2021-22. The Service Sector, comprising of Trade, Hotels & Restaurants, Transport, Storage & Communication, Financial Services, Real Estate, Ownership of Dwellings & Professional Services, Public Administration and Other Services is the major contributor in the economy of Rajasthan with the contribution of 43.74% during 2022-23.

The globalization of markets and a resilient economy have given an incredible drive to the industrial sector in Rajasthan, which already has a competitive advantage in terms

of strategic location, basic infrastructure as well as large skilled, educated and young workforce. The state is endowed with abundant physical resources, rich mineral wealth, world-renowned handicrafts, handloom and outstanding skills. These resources in the state provide ample support to manufacturing, processing activities and services in the MSME sector. Besides, the State has investor-friendly policies and regulatory environment.

The state is gradually transforming from an agrarian economy to an industrial economy. State has a very strong base of MSMEs in Gems and Jewellery, Handicrafts, Food Processing, Auto Components, Textiles, Leather and Dimensional Stones.

Section 2: Definitions

"Agricultural / Agri Products" means produce of agriculture, horticulture, sericulture, floriculture, aromatic, herbal & medicinal plants, fisheries, poultry, apiculture, dairy and shall include minor forest produce and livestock-based products.

"Agri Processing Sector" means a sector comprising manufacturing enterprises which add value to agriculture products through processing to manufacture marketable products in a manner that results in the emergence of a new product having a distinct name, character and use.

"Common Facility Centre (CFC)" means creation of tangible assets in a cluster in the form of Common Production or Processing Centre for balancing or correcting or improving production line that cannot be undertaken by individual units. It may include Design Centre, Testing Facilities, Training Centre, R&D Centre, Market Display, Common Logistic Centre, Auction Platform, FPO & FVC, CETP, Common Raw Material Bank and Sales Depot or other common services.

"District Level Task Force Committee (DLTFC)" means District Level Task Force Committee (DLTFC) for screening and sanctioning the proposals as prescribed under this Policy and subsequent scheme guidelines.

"Enterprise" means an industrial undertaking or business concern or any other establishment, by whatever name called, engaged in manufacturing of goods, in any manner, or engaged in providing or rendering of service or services.

"Existing Enterprise" means a manufacturing or service enterprise that is engaged in commercial production or operation before or during operative period of this policy.

"Expansion" definition of expansion as defined in RIPS '2024.

"Government/ State Government" means Government of Rajasthan.

"High Level Task Force Committee (HLTFC)" means committee for implementation of this policy in the State as well as screening & sanctioning committee

for disbursement of fiscal assistance as prescribed under this Policy and subsequent guidelines.

"Industrial Area" means an area of land transferred to or placed at disposal of RIICO by the State Government or the land purchased, acquired, or otherwise held by RIICO or reserved to or set apart, or here after reserved or set apart under any law for setting up an industry or industries including essential welfare and supporting services. e.g., Post Office, Labour Colony, Residential Colony/Housing Complex & Township, Educational Institutions, RSEB, Power Station and Water & Sewerage facilities, Dispensary or Hospital, Police, Fire service Station, Bank, Weigh Bridge, shops and markets, Cinema, Hotel and Restaurant and Petrol pump as mentioned in Rajasthan Land Revenue (Industrial Areas Allotment) Rules,1959.

"Intellectual Property Rights (IPR)" means exclusive rights to inventors or creators of ideas, inventions and creative expressions to enable them to reap commercial benefits from their creative efforts or reputation. There are several types of intellectual property protection like patent, copyright, trademark, etc.

"Manufacturing Enterprise" means an enterprise employing plant and machinery in processing of goods which brings into existence a commercially different and distinct commodity but shall not include such processing as may be specified by the State Government by an order.

"MSME" means an establishment as defined vide Gazette notification No.: [F. No. 2/1(5)/2019- P&G/Policy (Pt-IV) dated 1st June 2020 & Office Memorandum (OM) No. 5/2(2)/2021-E/P & G/Policy dated July 2, 2021, issued by Ministry of Micro, Small and Medium Enterprises, Government of India.

"MSME Units of Women/ Scheduled Caste (SC)/ Scheduled Tribe (ST)/ Person with benchmark disability (PwBD)/ Young Entrepreneurs with age below 35 years" means an MSME unit having:

a) Women/ Scheduled Caste (SC)/ Scheduled Tribe (ST)/ Person with benchmark disability (PwBD)/ Young entrepreneurs with age below 35 years as proprietor, in case of proprietorship enterprise; or

b) Majority of partners who are Women/ Scheduled Caste (SC)/ Scheduled Tribe (ST)/ Person with benchmark disability (PwBD)/young entrepreneurs with age below 35 years and such partners are working partner(s) having more than 50% equity or equivalent capital of the enterprise, in case of enterprises other than proprietorships.

"New Unit" means a new manufacturing or service enterprise and includes a unit set up by an existing enterprise for manufacturing products or providing services and having separately identifiable books of accounts and depositing the taxes and duties leviable under any State Act including Provident Fund separately.

"ODOP Product" under One District One Product (ODOP) Initiative by DPIIT, at least one product has been finalized by States for each district. A product is deemed to be

ODOP only if the major raw material originates in or the majority of the processing of the product occurs within or the services are rendered in the given district and is declared by the office of Commissioner, Industries & Commerce from time to time.

"Person with benchmark disability (PwBD)" means a person with not less than forty per cent of a specified disability where specified disability has not been defined in measurable terms and includes a person with disability where specified disability has been defined in measurable terms, as certified by the certifying authority; as notified by the State Government under the relevant rules made under the Rights of Person with Disability Act, 2016 or by a notification in this regard.

"Project Cost" means the entire amount of the project which includes the cost of plant & machinery, land, building, miscellaneous fixed assets, working capital etc. required to manufacture end product or render services up to the date of commencement of commercial production.

"RIICO" means Rajasthan State Industrial Development & Investment Corporation.
"State Level Review Committee (SLRC)" means State Level Review Committee as prescribed under this Policy.

"Term Loan" means term loan taken by an MSME from Financial Institutions or State Financial Institutions or Banks recognized by Reserve Bank of India.

"Year" means financial year (From 1st April to 31st March) and quarter means the period of three months ending on 30th June, 30th September, 31st December, and 31st March;

"ZED Certification" means the certification of manufacturing process under "Zero Defect Zero Effect policy of Government of India for units in MSME sector.

Section 3: Vision and Approach

Vision and endeavor of the state is to create Globally Competitive and Locally Relevant MSME sector by providing enabling and conducive environment for them to attain a high competence level. To realize the vision, this MSME policy takes the approach and strategy for MSME development by focusing on a combination of fiscal and non-fiscal interventions.

MSME policy has been developed as a One Stop Shop solution for all the incentives being offered by State Government. Initiatives under the MSME Policy 2024, along with the ongoing initiatives, are expected to provide a conducive environment to make MSMEs competitive and encourage increased investments in the MSME sector in the State.

The key measures include:

(1) Promotion of entrepreneurship by providing support for establishment of new enterprises

(2) Adoption of cluster approach with focus on upgradation of technology through common facilitation centers, testing labs etc.

(3) Strengthening of market linkages and facilitation by linking-up of state MSMEs with Private as well as Public Sector Buyers.

(4) Strengthening the industrial infrastructure for MSMEs.

(5) Increased adoption of product standardization and quality certifications

(6) Enhancement of the credit flow to MSMEs by way of scheme incentives and credit facilitation

Section 4: Operative Period and Eligibility

a) This Policy shall come into effect from the date of its notification in the official Gazette and will remain in force until March 31, 2029.

b) This Policy shall supersede the Policy Package for Micro, Small and Medium Enterprises, 2022.

Section 5: Ongoing initiatives for development of MSME Ecosystem

State Government has been working towards MSME Ecosystem development in Rajasthan. Various initiatives have already been taken by the state related to various development areas like Investment Promotion & Facilitation, EoDB, Access to Finance etc. which have been highlighted below:

5.1: Investment Promotion

Governments of Rajasthan has accelerated the reforms over the last decade to improve the business climate and respond to increased competition for investment among the states in the country. Some reforms have bolstered government's roles to raise awareness of existing investment opportunities, attract investors, and facilitate the establishment and expansion of businesses.

Following is some of the existing / proposed initiatives for attracting new investments in the state in MSME sector:

5.1.1: Rajasthan Investment Promotion Scheme 2024

Cognizant of the changing economic and technological landscape, especially in the post COVID era, Rajasthan has been proactively revising its investment policies to engender robust and enduring growth. **Rajasthan Investment Promotion Scheme (RIPS) 2024** is an organic and dynamic policy framework which has been designed to further propel Rajasthan as a preferred investment destination across all sectors. This policy has integrated and harmonized the priority sectors and categories to create an overarching policy framework for

Rajasthan. The primary focus of the policy is to promote distributed development, create employment opportunities and drive economic growth.

MSME is one of the focus categories defined in the RIPS 2024. MSMEs involved in manufacturing as well as service sector are eligible for various incentives and exemption under RIPS 2024 including following:

a. Asset Creation Incentives [Investment Subsidy (75% reimbursement of State tax due and deposited for 10 years) and Capital Subsidy (for select categories of MSMEs)]

b. Interest Subvention

c. Exemptions & reimbursements related to Stamp Duty, Electricity Duty, Mandi Fee, and Conversion Charge

d. Employment Generation Subsidy

e. Fundraising Incentive

f. Cluster Incentive

g. Green Growth incentives on environmental projects and clean production technology for new and existing MSMEs

h. Export Promotion incentives on freight charges from State Inland Container Depots (ICDs) and / or air cargo complexes, for new and existing MSMEs

i. Skilling & Training Incentive

j. IP Creation Incentive

Additional investments (where eligible) by MSMEs shall be treated as new investments under RIPS 2024. Unless otherwise stated, all fiscal benefits and incentives to MSMEs shall be available as per the provisions of Rajasthan Investment Promotion Scheme, 2024, hereinafter referred to as RIPS -2024.

5.1.2 Dr. Bhimrao Ambedkar Rajasthan Dalit, Adivasi Udyam Protsahan Yojna (BRUPY)

To ensure effective participation and contribution of SC and ST in the economic development, **Dr. Bhimrao Ambedkar Rajasthan Dalit, Adivasi Udyam Protsahan Yojna (BRUPY)** is being run by the state government The key financial support under the scheme on the loan availed from eligible financial institutions for project has been divided in the following three areas:

a. Margin Money Subsidy: Margin Money subsidy equal to 25% of the project cost or INR 25 Lakh whichever is lower will be provided under the scheme.

b. Interest Subsidy: Interest subsidy of 9% for a loan value of INR 25 Lakh, 7% for a loan value from INR 25 Lakh to INR 5 crore and 6% for a loan from INR 5 crore to INR 10 crore shall be provided under the scheme.

c. **Guarantee Fee under CGTMSE:** Applicants can avail collateral free loan for their projects under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). The guarantee fee for the guarantee by CGTMSE will be paid by state Govt under the scheme.

5.1.3 Prime Minister's Employment Generation Programme (PMEGP)

State has been supporting applicants under the PMEGP scheme to provide continuous and sustainable employment to a large segment of traditional and prospective artisans, rural and urban unemployed youth through setting up of micro enterprises.

Scheme provides Margin Money Subsidy for General Category in rural and urban areas at 25% and 15% respectively. It also provides Margin Money Subsidy to Special Category Enterprises in rural and urban area at 35% and 25% respectively. Maximum cost of the project/unit admissible for Margin Money subsidy under Manufacturing sector is INR 50 lakhs and under Service sector is INR 20 lakhs.

5.2: Investment Facilitation

One of the key reforms undertaken by the State Government to improve the investment climate is to facilitate and guide the investors proposing to set up industrial units in the State. To strengthen the investor facilitation, the Government has constituted dedicated Investor Facilitation Cells.

5.2.1: MSME Investment & Facilitation Centre:

To facilitate / support MSMEs, the office of Commissioner, Industries & Commerce has constituted **MSME Investment and Facilitation Centre (MIFC)** in all the DICCs. The primary role of MIFC is to facilitate MSMEs from their inception to operation and to extend handholding support to the MSMEs.

5.2.2 MSME Development & Facilitation Centre:

Additionally, MSME Development & Facilitation Centers (MDFC) will be established in District Industries & Commerce Centers in all divisional headquarters. For coordination of activities, a **Programme Management Unit (PMU)** will also be established in Udyog Bhawan, Jaipur. The PMU will guide and support MIFCs and MDFCs and will do field visits as per requirement.

5.2.3 Micro & Small Enterprises Facilitation Council:

Micro & Small Enterprises Facilitation Council (MSEFC) acts as an arbitrator for settlement of any dispute regarding the payment to be made to the Micro and Small Enterprises. The MSEFCs examine the case filed by the

supplier MSME unit for delayed payment and then facilitate the buyer unit to pay the due amount along with the penal interest.

As per the provisions of the MSMED Act 2006, state has constituted a total of 17 such MSEFCs including 2 State Level and 15 other facilitation councils including divisional level councils where disputes regarding the delayed payments to the MSMEs are resolves and MSMEs are supported to get timely payments.

5.3 Ease of Doing Business

State Government has undertaken various initiatives to boost the business environment in the State by bringing regulatory reforms. The State Government envisages to undertake new initiatives to improve the ease of doing business for MSMEs in the State.

5.3.1 Rajasthan Micro, Small and Medium Enterprises (Facilitation of Establishment and Operation) Act 2019

The act provides exemptions to new MSMEs from all approvals and inspections such as permission, NOC, clearance, consent, approvals, registration, license etc. under any state law in connection with establishment or operation of enterprise for a period of 5 years. This Act also empowers the State Government departments to exempt MSMEs from any approval or inspection under any Central law that allows the State Government to exercise such powers.

5.3.2 Single Window Clearance System

An online Single Window Clearance System (SWCS) has been implemented in the State to facilitate MSME investors for obtaining regulatory approvals and fiscal incentives. As many as **16 Departments/Corporations** have been included till now under the SWCS. They are mainly Labour, Factories & Boilers, RIICO, Energy, Revenue, Tourism, Local Self Government, Urban Development & Housing, PHED, Rajasthan Pollution Control Board (RPCB), Industries department, etc. These Departments are providing about **135 services for clearances** through **'Composite Application Form' (CAF)** filed by the investor in SWCS.

5.3.3 One Stop Shop (OSS)

To facilitate investment proposals more effectively and expedite requisite approvals/ clearances / permissions for the same in time- bound manner under one roof, **"One Stop Shop"** facility has been established in **Bureau of Investment Promotion (BIP)**. Under the One Stop Shop, the State Government has constituted the **"Board of Investment"**, an apex body under the chairmanship of the Hon'ble Chief Minister with Minister and

Secretary In-charge of key departments as its members, for providing accelerated approvals and clearances to the investment proposals.

5.4 Cluster Development

Cluster approach is being followed by the State Government to develop MSME clusters in the state to leverage economies of agglomeration. Following initiatives are being undertaken by the State Government in cluster development initiatives through Department of Industries & Commerce:

5.4.1 State Government has been focusing on enhancing the benefits of Central Government cluster development programmes for MSMEs of the state. A dedicated PMU has been established as part of the Industries Department to effectively implement the **Micro & Small Enterprises - Cluster Development Programme (MSE-CDP)** of Ministry of MSME, GoI.

5.4.2 To strengthen the cluster development approach in state, Department of Industries & Commerce has been operating the **State Cluster Development Programme**. The programme focuses on development of sectors like handicrafts, handloom and khadi, leather and leather products, textiles, stones etc. through **soft interventions for capacity building of entrepreneurs** and through **hard interventions** for development of Common Facility Centers.

Further, following Government of India facilities have been established in Rajasthan to enhance overall MSME competitiveness:

5.4.3 **MSME Technology Centre, Bhiwadi** has been established by the Ministry of MSME in its endeavour to provide right stimulus for the growth of industry in the country. This Technology Centre focuses on integrated development of MSMEs of the **Engineering** as well as **Auto Sector** in state by way of providing International Quality Tools, Trained Personnel., Consultancy in Tooling & Related Areas. **State of-the-art Tool Room facilities** under single roof has wide spectrums of sophisticated Machines including advanced CNC Lathe, Milling, EDM & Wire Cut machines etc.

It also conducts **AICTE Approved Diploma Courses** in Tool & Die making, Mechatronics and Logistics Technology and is also conducting various **short and medium-term courses** in various technologies from design software to manufacturing to provide skilled manpower.

5.5 Infrastructure Development

RIICO is primarily engaged in ensuring the availability of affordable industrial land and other support infrastructure for the industries. It has developed several Industrial areas including sector specific parks which are strategically located and provide well equipped Industrial Infrastructure as per requirement of the sector. State Government has also been undertaking initiatives for necessary infrastructure development for MSMEs in state as below:

5.5.1 RIICO Industrial Areas

- RIICO allots plots for industry in the industrial areas developed by it.
- RIICO allots land at 25% of the prevailing industrial rate of allotment of the industrial area concerned for establishment of Common Facility Center (CFC) to the SPV of Cluster of Micro & Small Enterprises
- The concessions in land price to different categories will be provided as per the RIICO Disposal of Land Rules, 1979.

5.5.2 Infrastructure for Environmental Conservation

To ensure minimal impact of industry pollution on environment, an amended **Scheme for the establishment of Integrated CETPs and Upgradation of existing CETPs** has been notified by the Industries & Commerce Department with following objectives:

a. Upgradation of CETPs in Old Industrial Areas having existing CETPs.

b. Establishment of CETPs in Old Industrial areas which do not have CETPs.

c. Establishment of CETPs in New Industrial Areas which require new CETPs to be set up.

For establishment of above said CETPs (for which financial assistance is not available under any other scheme), 75% of the project cost of the CETP subject to maximum of INR 75 Crore will be made available as a grant under the scheme.

5.5.3 To promote the establishment of micro and small industries, the State Government has undertaken following initiatives:

- No application for conversion shall be required where tenant desires to establish a micro/ small scale industrial unit on his own khatedari land up to an area not exceeding one acre and such land shall be deemed to have been converted for such a micro, small scale industrial unit.
- No permission for conversion shall be required where a khatedar tenant desires to use land for the purpose of food processing unit on his own khatedari land up- to an area not exceeding ten hectares.

5.6 Strengthening of Market Linkages for MSMEs

Department of Industries & Commerce, through its various organizations as well as its own initiatives, provides marketing linkages to the MSME and Handicraft/ Handloom sector.

5.6.1 Procurement from Micro, Small and Medium enterprises of Rajasthan

As per the State Government notifications under RTPP Act 2012 and RTPP Rules 2013, following priorities and relaxations are provided to MSMEs in public procurement:

- **E-Bazaar:** State Government department can procure goods (worth INR 10 Lakh in a FY) manufactured by Rajasthan's MSMEs (empaneled by industries department) without going into tender process, directly through E-Bazaar.
- 96 Reserved **Items for mandatory procurement** from Micro and Small enterprises of Rajasthan.
- Purchase preference to MSMEs in procurement of items not mentioned in Schedule **- 80% procurement to be done from local MSMEs** of the state.
- Bid Security @ 0.50% for MSMEs
- Performance Security @ 1% for MSMEs
- Tender document @ 50% Cost for MSMEs
- 4% reservation for SC/ST Entrepreneurs
- Representative of Industries department as a member of procurement committees in State Government Departments/ Offices

5.6.2 Organization of Fairs and Exhibitions (Udhyam Protsahan Sansthan)

Udhyam Protsahan Sansthan (UPS) was constituted by the State Government to **organize fair and exhibitions** at district as well state level through establishment of **Haats** and conduct of other marketing events for the MSMEs and Artisans. Fourteen (14) such Haats are being operated by UPS across various districts in Rajasthan. Further, budgets are allocated to DICs for organizing fairs and exhibitions.

5.6.3 Bazar Sahayata Yojana for Skilled Artisans

Bazar Sahayata Yojana is being operated by the State Government to encourage participation of skilled artisans to various market exhibitions. Under the scheme, skilled artisans are supported for their participation in market exhibitions through following:

- Stall Rent Reimbursement – 50% of stall rent

- Daily Allowance – INR 450 for fairs/ exhibitions in Rajasthan and INR 600 for fairs/ exhibitions in other states in India

5.6.4 GI Tagging

Geographical Indications (GIs) are a type of intellectual property that identifies a product as originating in a specific geographical location and possessing qualities or a reputation that are due to that origin.

GIs can help to protect the reputation and quality of products, and they can also boost the local economy by attracting tourists and investment. They are an important tool for promoting sustainable development and protecting traditional knowledge. Currently, **17 products from the state** have received 21 **GI tag**.

In its endeavor to create unique identities for more and more products from the state, Department of Industries & Commerce has submitted **applications to Geographical Indication Registry, Chennai for 11 more products**.

5.6.5 Export Promotion

i. **Ground Rent / Participation Fee Reimbursement Scheme for Participation in International Trade Fairs / Exhibitions:** Under this scheme, units participating in approved international trade fairs are reimbursed for the ground rent they have paid. The reimbursement is 50% of the ground rent or a maximum of INR 1 lakh, allowing entrepreneurs to participate in these international fairs and explore markets. The implementation of the scheme is carried out by the Rajasthan Export Promotion Council.

ii. **Mission Niryatak Bano:** With the aim of creating awareness among entrepreneurs about export processes & documentation and boosting the number of first-time exporters, the state government initiated the unique "Mission Niryatak Bano" initiative. Under this initiative, more than 10,000 entrepreneurs in the state have been issued Import-Export Codes (IEC), and training programs related to export processes and documentation are being organized for them.

iii. **Rajasthan Export Promotion Council (REPC):** Rajasthan Export Promotion Council (REPC) was established under Department of Industries & Commerce as Section 8 Company for export promotion, regulation, protection, and encouragement. In March 2023, the Rajasthan International Expo Agency, which operates under the REPC, organized the Rajasthan International Expo which saw participation of

buyers from 20+ countries in Jodhpur.

iv. **District-Level Export Promotion Council (DLEPC)**

The state government has made efforts to promote exports at the district level. To achieve this, **District-Level Export Promotion Councils (DLEPCs)** have been formed under the chairmanship of the respective district collectors.

The primary objective of these councils is to identify export-worthy products at the district level and create effective action plans for their promotion, thereby boosting exports from the districts.

5.7 Capacity Building – Skill & Training

To ensure availability of skilled manpower to the industries, State Government has been undertaking following initiatives:

5.7.1 Promote skill upgradation for MSMEs by training of the existing industrial workers with support from educational institutions / R&D organizations using their labs / tool rooms etc.

5.7.2 The State Government, through Rajasthan Skill and Livelihoods Development Corporation (RSLDC) is providing skill trainings to create a pool of skilled manpower for the MSMEs.

5.8 Dispute Redressal Mechanism

An effective Dispute Redressal Mechanism has been created in the state for encouragement of new investment in state and to resolve the grievances of the existing enterprises. The mechanism also allows enterprises in Rajasthan to provide their feedback on State Policies and Programmes.

This mechanism has been created at two levels with a district level DRM Committee constituted under chairpersonship of District Collector in each district and a central DRM Committee constituted under the chairpersonship of Chief Secretary at State Level.

Section 6: Schemes for Fiscal Assistance

The policy envisages to ensure the adequate fiscal support to MSME sector around various functional areas. Key proposed interventions under the policy have been highlighted as below:

6.1 Asset Creation Incentives for MSMEs

Type	Description
Investment Subsidy	Enterprises shall be eligible for a reimbursement of 75% of State tax due and deposited for 10 years.
Capital Subsidy	Enterprises engaged in manufacturing of alternatives for plastic products shall be provided a special incentive equivalent to 50% of capital investment by the unit, subject to maximum of INR 40 lacs.
	Enterprises engaged in Agro & Food Processing shall be provided a special incentive equivalent to 50% of capital investment made by the unit, subject to maximum of INR 1.5 crores. 5% additional capital subsidy for FPOs owned by SC/ ST/ women entrepreneurs or Enterprises setting up units in areas identified under the Tribal Sub-Plan.

6.2 Assistance for New Enterprise Creation and Expansion

To create new employment opportunities for all the sections of the society in the state and to ease establishment of enterprises in state, policy envisages to support creation of new MSMEs or expansion/ diversification/ modernization of existing MSMEs through **additional** Interest Subsidy and Collateral Free Loans.

Support will be **provided to selected projects** for establishment of new MSMEs or for expansion/ diversification/ modernization of existing MSMEs through **additional** interest subsidy **over and above RIPS 2024 as per below**:

Loan Amount for plant and machinery/ equipment or apparatus	Additional Interest Subvention over and above RIPS 2024
Up-to INR 5 crores	2%
INR 5 crores - 10 crores	1%
INR 10 crores - 50 crores	0.5%

*The Duration of the above said interest subsidy will be same as the duration of the interest subsidy defined in RIPS'2024 for MSME's.

Such selected projects will be evaluated by the District Level Task Force Committee (DLTFC) up-to INR 10 Crores and Above INR 10 crore will be evaluated by High level Task Force Committee (HLTFC) under the Chairmanship of Commissioner Industries and Commerce, Govt of Rajasthan, in an objective manner and criteria for evaluation will be defined in the detailed official guidelines to be released by the Department of Industries and Commerce, Government of Rajasthan.

Further, enterprises availing collateral free term loan (for loan amount below INR 5 Cr. only) from Member Lending Institutions (MLIs) under CGTMSE will be eligible to avail assistance as reimbursement of 100% Annual Guarantee Fees paid to MLIs for the period of seven (7) years.

6.3 Assistance to enhance access to capital

As per the new guidelines of SEBI, SMEs can raise equity capital through SME Exchange Platforms. State Government has signed a Memorandum of Understanding (MoU) with the National Stock Exchange (NSE) to spread awareness amongst MSMEs of the state regarding fund raising via IPO mechanism using NSE Emerge which is the SME platform of NSE.

The state shall provide **one-time support up to a maximum of INR 15 Lakhs** towards expenses incurred for raising of funds through NSE's/ BSE's SME exchange platform after successful raising of equity to Selected Enterprises, as per guidelines.

6.4 Technology Acquisition Assistance for MSMEs

Policy envisages to support Micro and Small enterprises in state to **acquire advanced technology/ software** related to their production/ manufacturing processes through one-time **reimbursement up to 50% of the cost incurred for technology/ software acquisition** with maximum assistance ceiling of INR 5 Lakhs per unit. Micro and Small Enterprises may acquire such technology **from premier national institutes** like Indian Institute of Science (IISc), Indian Institute of Technology (IITs), National Institute of Technology (NITs), National Institute of Design (NIDs), Council of Scientific and Industrial Research (CSIR) or any other premier institute set up by Government of India/ Government of Rajasthan.

6.5 Assistance for Technology Upgradation through Cluster Approach

This policy aims at developing MSME sector in a cluster-based approach to bring together MSMEs engaged in similar nature of business to work at a common location. This approach shall facilitate MSMEs with common facility centers, robust infrastructure, improved availability of raw materials and skilled manpower for the sector. The State Government shall also dovetail/ leverage the benefits available under various GoI cluster development program/ schemes.

The policy aims at providing benefits of cluster development approach to MSME clusters in state. Through cluster development approach, the State Government envisages to undertake following activities:

- Identification of potential clusters and strengthening of **upstream** and **downstream linkages**.
- Promote **awareness**, **capacity building** and **skill upgradation programs** at cluster level.
- Support optimization of cluster product cost, quality, design & development and variety, through **adoption of latest technologies and innovations**.
- Develop new potential clusters with state-of-the-art infrastructure

facilities and provide handholding support to obtain Central and State Government incentives.

- Encourage green and sustainable manufacturing methodologies and promote adoption of **waste to wealth techniques**.

Micro and Small Enterprises (MSEs) will be supported by the State Government for setting up of Common Facility Centers (CFCs) under Central/ State Government schemes. Specific incentives have been provided for Clusters under Clause 3.4.2.5, RIPS 2024.

6.6 Assistance for Quality Enhancement

The following assistance would be provided to MSMEs for quality improvement related to products as well as processes to become competitive in the market:

a. MSMEs obtaining quality certifications (such as BIS, FSSAI etc.); other system certifications (such as ISO, ZED etc.) and Intellectual Property Rights (IPR) from any government agency or an agency authorized by the Government of India or the Government of Rajasthan, will be eligible for a one-time reimbursement of 50% of the costs incurred, up to a maximum of INR 3.00 lakhs. These costs include expenses for testing and documentation.

6.7 Assistance for promotion of Sustainable Practices & Renewable Energy

As per RIPS 2024 Clause 4.1.3 S. No. 2

1. MSMEs shall be eligible to avail the following benefits up to a maximum ceiling of Rs. 1 Crore:

- 50% reimbursement on the cost of environmental projects.
- 10% of the cost of machinery & equipment using clean production technology.
- 100% electricity duty exemption for captive renewable energy generation for 7 years.
- 50% consent fee waiver for industries under the Rajasthan Green Rating System.

Note: For the above, 'environmental projects' shall mean:

- Environmental infrastructure facilities (such as ETPs and waste management projects)
- Zero Liquid Discharge
- Air pollution control measures
- Water measures

2. Interest subvention of 6% on loans taken for activities covered under SIDBI's Green Finance Scheme

6.8 Assistance for Skill Development

As per RIPS 2024 Clause 4.3.1 S. No. 2

MSMEs shall be eligible for reimbursement of 50% of the total cost of employee training up-to 6 months, as a one-time incentive up to:

- INR 20,000 /- per month for Micro units
- INR 30,000 /- per month for Small units
- INR 40,000/- per month for Medium units

6.9 Assistance for Infrastructure Development

Through the policy, State Government envisages to upgrade Industrial Infrastructure for MSMEs in existing clusters through the support in non-RIICO Industrial Areas as well as development of Industrial Infrastructure with the support of Private Sector. The scheme envisages Industrial Infrastructure upgradation as well as development with the support of Private Sector through following initiative:

- Infrastructure Development for **existing clusters** in non-RIICO Industrial Areas, where group of the existing MSMEs will be supported for development of infrastructure in existing industrial areas.
- Infrastructure Development for **greenfield clusters** in non-RIICO Industrial Areas, where private sector entities will be encouraged to setup new industrial areas for MSMEs through state govt. support.

6.10 Assistance to MSMEs for Market Development

6.10.1 Assistance for participation in Fairs/ Exhibitions

Policy provides financial assistance to MSMEs participating in national and international fairs/ exhibitions/ buyer seller meets etc. for display and sale of their products. Assistance will be applicable for participation in fairs/ exhibitions notified by the State Government from time to time for selected enterprises, as per guideline.

The support provided is outlined as follows:

Sr. No.	Type of Event	Financial Assistance
1.	Participation in National/ International Fairs/ Exhibitions in Rajasthan	INR 37,500 or 75% of the Stall Rent, whichever is less, for maximum 3 events in a Financial Year.
		Actual Fare of 3-AC Class Train or AC Bus for 2 persons
2.	Participation in National/ International Fairs/ Exhibitions in the country (other than Rajasthan)	INR 1,12,500 or 75% of the Stall Rent, whichever is less, for maximum 2 events in a Financial Year.
		Actual Fare of 3-AC Class Train or AC Bus for 2 persons

Sr. No.	Type of Event	Financial Assistance
3.	Participation in Fairs/ Exhibitions organized abroad	INR 1,50,000 or 75% of the Stall Rent, whichever is less, for maximum 1 event in a Financial Year.
		Actual Fare on Travel through Airplane in Economy Class for 2 persons

After taking benefit under any of the above categories in a Financial Year, beneficiary would not be able to take benefit in the same category for the next two Financial Years.

6.10.2 Assistance for digitization of business processes and adoption of eCommerce

Post COVID, **eCommerce** has become an enabler to increase market access for manufacturers and suppliers to both indigenous and global markets. It provides a cost-effective impetus for growth of business by opening a window to new markets and shortening of traditional supply chains thereby leading to higher revenues and profit margins for MSMEs.

Digitization of businesses is mandatory to access benefits of e-Commerce, however, large no. of MSMEs in the state still remain unaware of the potential benefits of e-commerce primarily **due to the lack of exposure to IT products and services** and the e-commerce ecosystem as a whole. The scheme will be eligible for enterprises adopting eCommerce after policy notification.

- Policy envisages **to enable digitization of MSMEs** through one-time reimbursement towards expenses incurred for purchase of software/ equipment for digitization of business process (i.e., implementation of POS systems, bar code scanner machines, inventory management software etc.) **up to 75% of the total cost**. Maximum assistance under the component will be INR **50,000 per MSME**.
- MSMEs will get a reimbursement of **75% of the total fees** (excluding shipping fees) charged by e-commerce platforms, up **to a maximum of INR 50,000 per MSME**. Assistance would only be eligible for one eCommerce platform per MSME.

Section 7: Non-Fiscal Initiatives

7.1 Availability of Industrial Infrastructure at affordable rates

7.1.1 State will make efforts to increase the RIICO Land Bank for future development of Industrial Areas/ Parks/ Estate for MSME units.

7.1.2 Plots will be reserved in RIICO industrial areas for MSMEs.

7.1.3 State will also encourage the development of industrial areas with the support of private sector.

7.1.4 Special focus and thrust shall be given to creation of flatted structure in industrial areas to provide land to MSMEs at affordable rates.

7.2 Digitalization of Policy Implementation

This policy will be implemented through a dedicated portal. Applications for financial assistance under different schemes of this policy shall be accepted by online mode, once the portal becomes operational.

7.3 Focus on development of Technology Centers

Technology Centers have been created across the country by Ministry of MSME to create skilled workforce for the industry and to provide technological solutions to the MSMEs in such clusters. State Government will pro-actively interact with the Ministry of MSME for **setting up of new Technology Centers** in the state.

7.4 Capacity Strengthening

- Sector-specific, short-duration modular training programs will be conducted for workmen and supervisors to improve their skills and capabilities.
- Targeted training programs will be provided to entrepreneurs to enhance their management skills, technological knowledge, and understanding of market dynamics.
- Digital and physical awareness campaigns will be launched to inform MSMEs about available schemes and growth opportunities. These will utilize various channels including social media, mobile apps, workshops, and seminars to ensure wider reach.
- Technology Mentorship: Regular mentorship sessions, either in person or virtually, will be organized where mentors will work closely with MSMEs. These sessions will include technology strategy development, guidance on technology procurement, and assistance with implementation.

7.5 Government Procurement

This policy envisions expansion of visibility and marketing for products throughout the consumer markets. The State Government shall make endeavour to further increase the visibility and encourage utilization of MSME products in the government ecosystem.

7.6 Export Promotion Initiatives

Integration with programmes of Rajasthan Export Promotion Council (REPC):

i) **Phase-wise Training in Export Procedures:** Implement a structured training program in phases to educate MSMEs on export process and procedures.

ii) **Market Intelligence Training:** Provide comprehensive training on market intelligence, enabling MSMEs to gather, analyze, and utilize market data to

make informed decisions about international markets and support them with export market linkages.

iii) **Technical Product Training:** Offer specialized technical training to MSMEs preferentially on product development and enhancement to meet international standards and market demands, ensuring the products are competitive on a global scale. Charges for such trainings will be covered under this programme.

7.7 Applicability of Provisions under MSME Act, RIPS and/or Any Other Policy or Scheme of the State Government

- All benefits eligible under prevailing RIPS, as well as any other state government policies/ schemes in force during the policy period, shall be applicable to the MSMEs as outlined in the respective policies/ schemes.
- However, enterprises will not be eligible to take similar benefits under multiple policies of the State.
- Provisions of the policy taken from prevailing RIPS will be considered to be revised if the relevant provisions in the RIPS 2024 or prevailing RIPS are amended/ revised.

Section 8: Institutional Framework for implementation of the Policy

1. **State Level Review Committee (SLRC):** State Level Review Committee will be constituted to monitor the implementation of Rajasthan MSME Policy 2024 in state:

State Level Review Committee	
ACS/ Principal Secretary/ Secretary, Industries & Commerce	Chairperson
Authorized Representative of Finance Department not below the rank of Joint Secretary	Member
Managing Director, RIICO	Member
Chief Managing Director, Rajasthan Financial Corporation	Member
Commissioner, Investment & NRIs (BIP)	Member
Director, MSME – Development & Facilitation Office, Jaipur, Ministry of MSME	Member
Commissioner, Industries & Commerce	Member Secretary
Secretary/HOD of Concerned Department/ Institution	Invited Member

Chairperson may nominate members from technical institutions of specific sectors and industry representatives as a special invitee for the Committee meeting. The committee shall periodically review the implementation and assess the impact of the policy.

The committee shall be empowered to take all necessary decisions for the smooth implementation of policy such as:

a. To monitor the progress of all institutions involved in the process.

b. To assign roles and targets to institutions involved and monitoring of work being performed.

c. To interpret and / or relax any provision of the policy.

d. To frame and / or amend any guidelines or schemes under the policy.

e. To review various measures for the favorable business environment in the State for MSME Sector.

2. High Level Task Force Committee (HLTFC): The composition of the Committee will be as under:

High Level Task Force Committee (HLTFC)		
1.	Commissioner, Industries & Commerce	Chairperson
2.	MD RIICO or nominee [Not below the rank of Deputy General Manager] (For Infrastructure Development Projects)	Member
3.	Director, MSMEs Development and Facilitation Office of GoI at Jaipur	Member
4.	Centre General Manager, Concerned District Industries & Commerce	Member
5.	Financial Advisor, Industries & Commerce	Member
6.	Any other special invitee co-opted by Chairperson	Member
7.	Additional Commissioner/ Joint Commissioner, Industries & Commerce (MSME)	Member Secretary

High Level Task Force Committee (HLTFC) will be responsible for screening and sanctioning the proposals as prescribed under this Policy and subsequent scheme guidelines.

3. District Level Task Force Committee (DLTFC): The composition of the Committee will be as under:

District Level Task Force Committee (DLTFC)		
1.	District Collector or his nominee (not below the Rank of ADM)	Chairperson
2.	General Manager, District Industries & Commerce Centre	Member
3.	Lead Bank Manager	Member
4.	Accounts personnel of the DICC	Member
5.	Any other special invitee co-opted by Chairperson	Member

District Level Task Force Committee (DLTFC)		
6.	Officer In-Charge for MSME Development in the DICC	Member Secretary

District Level Task Force Committee (DLTFC) will be responsible for screening and sanctioning the proposals as prescribed under this Policy and subsequent scheme guidelines.

The Department will issue guidelines delineating the responsibilities of the above Committees.

Section 9: Interpretation of the Policy

The Department of Industries and Commerce, Government of Rajasthan shall act as the nodal for coordinating, monitoring, and implementing Department.

Any matter pertaining to interpretation, updation and amendment of any clause of the policy shall be referred to the Department of Industries & Commerce and the decision of the Department of Industries & Commerce shall be considered final in this regard.

Further, Department of Industries and Commerce, Government of Rajasthan will be empowered to launch new initiatives for MSME development under the Rajasthan MSME Policy, 2024.

Section 10: Modalities for execution of the schemes

Modalities for execution of the schemes as per relevant clauses in RIPS '2024 including procedural guideline to RIPS '2024 and for remaining clauses the modalities for execution of the schemes, detailed scheme guidelines, formats for application of projects etc. shall be released by Department of Industries & Commerce, Government of Rajasthan in due time.

Section 11: Policy Governance and Implementation

The scheme will be implemented by the Office of the Commissioner, Industries & Commerce, Rajasthan, who also holds the designation of Commissioner Exports, Rajasthan. The Industries & Commerce Department will serve as the Administrative Department.

Oversight and monitoring of this policy's implementation and progress will be the responsibility of the State Level Review Committee (SLRC).

By the order of the Governor,

Mahipal Kumar,
Deputy Secretary To Government.

राज्य केन्द्रीय मुद्रणालय, जयपुर।